

Coventry City Council
Minutes of the Meeting of Business, Economy and Enterprise Scrutiny Board (3)
held at 2.00 pm on Wednesday, 9 March 2022

Present:

Members: Councillor C Miks (Chair)
Councillor G Hayre
Councillor T Jandu
Councillor P Male
Councillor B Singh
Councillor A Tucker

Other Members: Councillor P Akhtar – Council Representative on the West Midlands Combined Authority Transport Delivery Committee
Councillor L Bigham – Council Representative on the West Midlands Combined Authority Transport Delivery Committee
Councillor P Hetherton – Cabinet Member for City Services
Councillor G Lloyd – Deputy Cabinet Member for City Services
Councillor J O’Boyle – Cabinet Member for Jobs, Regeneration and Climate Change.

Others Present (By Invitation) Alex Greatholder, Transport for West Midlands
David Harris, Transport for West Midlands

Employees (by Service):

Business Investment and Culture	M Dillow, B Willers,
Law and Governance	G Holmes, L Knight
Property Services and Development	A Hunt
Transportation and Highways	J Seddon
Apologies:	Councillor M Heaven and R Lancaster

Public Business

30. Declarations of Interest

There were no disclosable pecuniary interests.

31. Minutes

The minutes of the meeting held on 9th February 2022 were agreed and signed as a correct record. There were no matters arising.

32. West Midlands Local Transport Plan Core Strategy Engagement

The Business, Economy and Enterprise Scrutiny Board (3) received a report and presentation from Alex Greatholder and David Harris of Transport for the West Midlands on the West Midlands Local Transport Plan Core Strategy Engagement.

Under the Transport Act 2000, Local Transport Authorities have a duty to produce and review a Local Transport Plan. As a consequence of the Local Transport Act 2008 and the WMCA Order 2016, the WMCA is the Local Transport Authority for the seven constituent metropolitan districts / boroughs. The Local Transport Plan will align the core priorities of the WMCA, ensuring that all future funding bids and transport activity is optimised to meet the corporate aims and objectives agreed by the WMCA Board in November 2021.

Local Transport Plans must set out policies for the promotion and encouragement of safe, integrated, efficient and economic transport to, from and within the Local Transport Authority area along with proposals for the implementation of those policies. The Local Transport Plan carries statutory weight in a range of decisions made by many public authorities as they execute their functions under their relevant statutory provisions. It is a critical document for ensuring the West Midlands public's interests with regards to transport and its impacts are considered in such decisions. The Local Transport Plan must be developed collaboratively between the WMCA, as the Local Transport Authority, and the seven constituent authorities and implemented in partnership with other agencies and organisations such as National Highways, Network Rail and public transport operators.

There have been significant changes to policy context including changes to the political, social and economic landscapes which have implications for transport policy and plans. Most significant of these were the impact of the Covid-19 pandemic and the challenge of climate change, with the WMCA declaring a climate emergency in 2019 and committing to ambitious plans of becoming a net zero region by 2041.

The first West Midlands 2041 five year carbon plan (WM2041) was approved and adopted by the WMCA Board in March 2021. This set out a priority for WMCA to support changes in travel behaviours through reduction in car usage and a much higher modal share of public transport and cycling. A key deliverable for WMCA was producing a new Local Transport Plan which is aligned to WM2041. In July 2021, Transport for West Midlands published the 'Reimagining Transport in the West Midlands' Green Paper. The purpose of the Green Paper was to start a conversation with politicians, public and stakeholders on how transport policy and strategy in the West Midlands could change. The focus was to engage on how the region could better respond to the big challenges it faces, including responding to the economic downturn and the climate emergency, as described in the Green Paper through five 'Motives for Change'. Engagement on the Green Paper over the summer of 2021 resulted in over 600 full responses to the public survey and 20 detailed responses from a range of stakeholders. A summary of the results of the engagement were set out at Appendix 1 of the report.

In addition, over the last 18 months there have been a number of policy statements from Government which have placed an emphasis on transport's role in responding to the need rapidly decarbonise, deliver the levelling up agenda, and supporting the post pandemic recovery of the UK. The Government have made it clear that local authorities will be expected to take the lead on bold decisions to

influence how people travel and to take local action to make the best use of space. Further Local Transport Plan guidance is expected to be published by the Department for Transport in early 2022 and future funding decisions are likely to be directly informed by the level of reductions which are evidenced.

Investment in transport would remain critical to support the region's growth outcomes, enable modal shift and improve accessibility, especially in traditionally under-served and deprived areas of the region. The Local Transport Plan will help continue to make a strong case for transport investment, such as the City Regional Sustainable Transport Settlement, which would play a critical role in opening up opportunities for communities across the region.

The Board noted that, despite the positive progress being made, there was a need for more fundamental change. The current approach was largely focussed on improving alternatives and informing travellers so they understand the benefits of using those alternatives. Whilst continuing to invest in the alternatives to the car was going to continue to be important, this alone would not be sufficient to generate the kinds of behaviour change needed to meet current aims.

Having reviewed the impact of the current approach and modelling different scenarios along with the policies and programmes in place now, the scale and pace of change needed would not be met. Based on current actions the WM2041 target for carbon reduction, and even the UK 2050 climate change emissions targets would also not be met. Ultimately, without a change in direction, transport risks becoming a handbrake on the greener, fairer inclusive growth the region wants to deliver. The importance of demand management to achieving behaviour change was understood and it was acknowledged that Government policy was channelling local government towards such measures.

A challenge for the new LTP would be honesty about the need to manage demand to help deliver the scale of behaviour change required and about the consequences of not taking appropriate action. The plan was being developed to account for this challenging position. It is being honest about the need for a demand management approach to help the transport system deliver against the region's wider objectives and vision. Engagement with the public and stakeholders would need to be on-going and more extensive than ever before.

The West Midlands would also need to be realistic and clear over what is and is not within the gift of local leadership. There needs to be an understanding that appropriate local action on local streets can help give a quieter and healthier urban environment, but that more transformational behaviour change would require broader consensus across the country and national leadership. Ultimately one regional area will struggle to be radically transformational without risking unintended and disadvantageous consequences for its economy. Conversely, change adopted at a similar pace and more uniformly across the country means concerns over economic displacement effects could be managed and companies can plan and deliver national operating protocols with more confidence. This latter point is particularly relevant to the freight, logistics and automotive industries which the West Midlands is a national leader in. Given the above context, the approach to developing and implementing change would need to be different. To respond to this, the new LTP would have a dynamic and flexible approach to transport policy and delivery. A dynamic plan, which is regularly reviewed, would enable an on-

going discussion with members and the public on how and where progress can be made on more or less difficult pathways. The draft Core Strategy sets out a policy tool kit framed within 6 Big Moves, from which WMCA, TfWM and local authorities will need to develop their delivery plans.

The Big Moves policies would be detailed further in a series of additional LTP documents to be developed and consulted on during 2022. The Board were advised that, in addition, TfWM would be working with local authorities to develop a suite of Area Strategies within the framework of LTP policies. These would sit beneath the Core Strategy and alongside the Big Moves and would translate the policy tool kit into local areas.

The Board noted that the West Midlands Combined Authority (WMCA) Board had approved the draft Core Strategy for consultation on 14th January 2022. The consultation engagement started on 7th February 2022 and would run until 4th April 2022.

Having received the presentation and considered the report submitted, the Board highlighted a number of issues that would need to be considered in relation to Coventry, including:

- The need for an affordable transport system;
- Existing and future demands for bus use, including bus subsidy;
- The impact of home working on travel requirements;
- Changing mindsets to 'is this a necessary journey?';
- Recognising the Coventry is distinctly different to other cities if a modal shift is to be achieved;
- Consideration of water routes, such as the local canals;
- Understanding that electric vehicles are not the only answer.

RESOLVED that, the Business, Economy and Enterprise Scrutiny Board (3):

- 1) Note the proposed approach and progress on development of the West Midlands Local Transport Plan (LTP) and the publication of the West Midlands Transport LTP Core Strategy for consultation.**
- 2) Provide comments and views on proposed vision and approach for the new West Midlands Local Transport Plan and what it means for Coventry.**
- 3) Note the approach for developing the LTP Big Moves and Area Strategies through to Summer 2022.**
- 4) Advise how TfWM and Coventry officers can support and work with elected members in communicating and building awareness of the issues the LTP seeks to tackle and developing improved engagement with communities on how we can start to change travel behaviours.**

33. Key Regeneration Projects

The Business, Economy and Enterprise Scrutiny Board (3) received a briefing note of the Director of Property Services and Development, which provided an update

on progress with key regeneration projects in the city, namely City Centre South, Friargate and Coventry Station.

In relation to City Centre South, the Board acknowledged that the regeneration of the city centre was a key priority for the Council and would deliver transformational improvements to Coventry city centre through new homes, jobs, commercial and leisure opportunities and high-quality public spaces.

The scheme was being brought forward through a partnership between the Council and Shearer Property Group (SPG) and was supported by £98.8m grant funding from the West Midlands Combined Authority (WMCA). This grant was funding key enabling costs such as land assembly, demolition and reimbursement payments to the Council for the loss of its existing income producing commercial scheme.

It was noted that the Cabinet had recently received a report which had included a number of recommendations, including authority to make a Compulsory Purchase Order (CPO), appropriate land interests and take a number of ancillary decisions relating to planning, land and highway matters.

It was anticipated that a CPO would be made during March 2022 and, if necessary, an Inquiry would be held during the Autumn of 2022. Dialogue was ongoing between SPG and a funding and development partner in order to deliver the scheme. Whilst outline planning consent was in place, it was expected that a Reserved Matters planning application would be submitted during 2022 which would set out detailed proposal for the scheme, including design and the amount of space for different uses and phasing. Vacant possession of the site was expected to be achieved by early 2023.

The delivery of the Friargate District was another key priority for the Council and £51.2m grant funding was secured from the West Midlands Combined Authority (WMCA) in 2018 to support the delivery of the next commercial office building, Two Friargate.

Two Friargate would deliver 123,000 sqft of high quality lettable office space which would be able to compete with the best the wider region was able to offer. It would also provide the opportunity for significant jobs and business growth in the City. Construction on the building had begun in November 2020 and was due to be completed before the end of 2022. It also has its own dedicated website which provides information about the building.

Overall, the Friargate District would have a range of uses and offers. The Council was working with hotel developers Castlebridge to bring forward a new four-star Hotel Indigo opposite the Council's One Friargate office building. Building work was scheduled to commence in Spring 2022 with completion and opening during 2023. Further work was ongoing with the owners of the Friargate site, Friargate JV Project Limited, to assess the opportunity for residential developments, which would provide the opportunity to create a new mixed-use neighbourhood in a highly sustainable part of the City.

The Board were advised that the works on the £79m Coventry Station Masterplan were near completion. There had been delays to the opening date due to ongoing

minor defects and snagging corrections by the Contractor which required completion before the Council could accept the station and pass it to Network Rail / Avanti. It was now expected that all of the new facilities, including a car park, new concourse areas, footbridge and transport interchange, would be open and operational during the spring.

The Board sought clarification on a number of points, which in summary included the level of experience the developers have had with schemes the size of City Centre South; what the mix of residential properties would be within the Friargate District, including whether there would be affordable housing; whether any organisations had expressed an interest in Two Friargate; and whether there continued to be a pedestrian exit for the south side of the station. It was confirmed that SPG were an experienced developer with experience working with numerous local authorities on schemes. In relation to the mix of residential properties, it was explained that the outline planning consent set out the housing parameters and whilst there was enthusiasm to include affordable housing within the development, this would be determined as part of the detailed planning consent. The Board were advised that discussions had been ongoing between the Friargate letting agents and a number of organisations in respect of Two Friargate and, although none had yet signed agreements, this was not unusual when there were still a further 8 months until completion. It was unclear whether the Station retains a pedestrian access to the south but officers undertook to find out and advise members of the outcome.

RESOLVED that, the Business, Economy and Enterprise Scrutiny Board (3) note the content of the briefing note and confirm there are no comments or recommendations to the appropriate Cabinet Member.

34. **Support for Business (Green Business Programme)**

The Business, Economy and Enterprise Scrutiny Board (3) received a briefing note from the Director of Business, Investment and Culture, which provided an update on the status of the Coventry and Warwickshire Green Business Programme, the current finite funding available and opportunities being explored to maintain the programme.

The Coventry and Warwickshire Green Business Programme (GBP) supports the shift towards low carbon economy, delivering a cohesive package of support activities that facilitate economic growth through small and medium sized enterprises (SME) developing and adopting energy and efficiency measures, as well as renewable energy. The Council acts as the accountable body of this programme through the Economic Development Services Project Management Team. Activities are then delivered by an established partnership of Council's Climate Change and Sustainability Team, Coventry University and Coventry University Enterprises.

The Briefing Note indicated that the GBP was established in 2016 and was the first integrated package of business support focussed on low carbon that the Authority had delivered, and the first such program in Coventry and Warwickshire and was funded through the European Regional Development Fund (ERDF). The success of the first programme which ran from 2016 to 2018, led to the establishment of

Phase 2, which ran from 2019 to 2021. This was further extended to June 2023, when ERDF funding ceases.

The Council provided grants of £1k to £50k, free energy and resource efficiency audits and a Green Business Network to maximise the energy efficiency and low carbon opportunities for SMEs with less than 250 employees, based in Coventry and Warwickshire. The partnership also offered funding and workshops around low carbon innovation, providing an integrated support package for SMEs. SMEs engaged in the programme experienced a variety of benefits, namely:

- Reduced energy bills and maintenance costs;
- Reduced carbon emissions;
- Increased competitiveness, profitability and efficiency;
- Improved working conditions; and
- Reduced waste disposal costs.

The main outputs which required reporting to the Department for Levelling up, Housing and Communities were business assists, financial claims and carbon savings. The table within the briefing note provided a breakdown of outputs achieved against targets for both phases of the programme. Phase 1 significantly overachieved on carbon savings, vindicating the decision to run the project and highlighting the level of need across businesses in the region. It was noted that Phase 2, which would run until June 2023, was on track to meet or exceed all targets.

The businesses supported through the GBP covered a range of sectors, the majority being manufacturing, but also included construction through to professional services. Grant funding had been used to support a variety of measures ranging from LED lighting and heating improvement, to more innovative measures such as improvements to production efficiency and providing capacity for businesses to bring production in-house. In addition to the main outputs mentioned, the Programme also reported the following:

At least 60 jobs directly created because of energy-efficient machinery part-funded by the programme.

- Since 2018, 30 events have been hosted by the Programme (13 face-to-face, 17 webinars) which has had 1,884 delegates register.
- 440 followers on LinkedIn
- 749 followers on twitter
- 1,749 members of the Green Business Network, up from a base of zero in 2016. This has been testament to the pro-active nature of the team delivering the programme, and especially the energy put into marketing and comms.

The briefing note also set out the relationship of the programme to the Climate Change Agenda, a further business support programme, Business Sustain, and the differences and synergies between the two programme.

The Board were advised that the ERDF funding for the GBP would end in June 2023 and that, having recognised the valuable benefit for businesses, ways were being sought to maintain the programme beyond that date. It was acknowledged

that opportunities to fund similar programmes may emerge through the UK Shared Prosperity Fund, although further information on this funding was awaited from central Government. Relationships between GBP and Business Sustain were also being explored to fully understand the synergies and services that businesses require and find an approach to continue these two valuable services and expand them.

RESOLVED that, the Business, Economy and Enterprise Scrutiny Board (3):

- 1) Request that officers continue to pursue further funding opportunities which may be used to extend / re-establish a Green Business Programme when the current European Regional Development Funding (ERDF) expires in June 2023.**
- 2) Support an approach which looks at synergies between the Green Business programme and our other service, Business Sustain; with the aim of identifying opportunities to continue the Green Business service beyond June 2023.**

35. Work Programme 2021/2022

The Business, Economy and Enterprise Scrutiny Board received a report of the Scrutiny Co-ordinator, that detailed items that had been considered during the 2021/22 municipal year and proposed issues to be included on the Board's Work Programme for 2022/23.

The Board requested that an update on the climate action plan be included on the list of items for consideration during 2022/23.

RESOLVED that, the Business, Economy and Enterprise Scrutiny Board (3) note the work programme.

36. Any other items of public business which the Chair decides to take as matters of urgency because of the special circumstances involved

There were no other items of public business.

(Meeting closed at 4.50 pm)